

***Delaware Health Resources Board  
Meeting Minutes  
Thursday November 14, 2019 2:30 PM  
Delaware Technical Community College Corporate Training Center  
Conference Room 400A&B  
100 Campus Drive Dover DE 19901***

***Board Members Present:*** Acting Chair Leighann Hinkle, Theodore (Ted) Becker, Vincent Lobo Jr. D.O., John Walsh, Edwin Barlow, Carolyn Morris, Julia O'Hanlon, Pamela Price, Michael Hackendorn, Margaret Strine and Cheryl Heiks

***Board Members Absent:*** Brett Fallon, Chair and Mark Thompson

***Staff Present:*** Latoya Wright, Elisabeth Scheneman and Joanna Suder

***Call to Order and Welcome***

Leighann Hinkle Acting Chair welcomed the Board members and called the meeting to order at 2:32 p.m. in the Chair's absence. New Board members Pamela Price, Margaret Strine and Cheryl Heiks were welcomed to the Board.

**Action**

***September 26, 2019 Meeting Minutes***

The meeting minutes were reviewed. Edwin Barlow made a motion to approve the minutes. John Walsh seconded the motion. There was a voice vote, no abstentions, no opposing. Motion carried.

Ted Becker and Vincent Lobo Jr. D.O. recused themselves from the Beebe Reconsideration Freestanding Emergency Department agenda item and left the meeting during the discussion.

***Beebe Healthcare Freestanding Emergency Department (FED) Certificate of Public Review Reconsideration***

Pursuant to 16 Del. C. § 9305, Beebe submitted a reconsideration letter on August 23, 2019 requesting a public hearing for reconsidering the Board's decision on August 15, 2019 to deny their Certificate of Public Review application submitted for the construction of a FED in Georgetown, DE. The letter stated there are significant changes in factors and circumstances relied upon by the Board in reaching its decision on August 15. The full letter was read to the Board members.

Beebe's reconsideration letter addressed the Board members concern regarding the possible negative impact the Beebe FED in Georgetown would have on the Nanticoke Hospital. In statements from the Review Committee of the Board that provided the recommendation of denial of the FED application to the Board, it was suggested that Nanticoke needed to be protected due to its small size. The reconsideration letter also stated Nanticoke representatives spoke at the public hearing held in May implicating Nanticoke needed protection, however did not provide evidence of the degree of harm that might be incurred by Nanticoke.

Since the review and decision of the Beebe FED proposal, Nanticoke and Peninsula Regional Health System announced their intent to merge and submitted an application to the Board. The Board approved the Peninsula and Nanticoke affiliation agreement application at the September 26, 2019 Health Resources Board meeting. Beebe's reconsideration letter stated that Peninsula is a much larger system than Nanticoke and much larger than Beebe. Beebe request a public hearing to review new facts about the merger between Nanticoke and Peninsula to determine whether it remains appropriate for the Board to provide protection from the completion to Nanticoke. This factor relates to *Statutory Criterion 4-The relationship of the proposal to the existing health care delivery system*.

In addition, Beebe's reconsideration letter references a letter submitted by Bayhealth dated August 14, 2019, withdrawing their application to build a freestanding emergency department in Sussex County. The withdrawal of the Bayhealth application occurred after the Review Committee reviewed the application and made the recommendation to deny the application. The letter addressed the Board's consideration of both the Beebe and Bayhealth FED applications simultaneously serving similar geographic populations before Bayhealth's withdrawal of their application.

Beebe believes that when faced with the possibility of two new FEDs in the same market, the Review Committee and the Board weighted different issues relating to *Statutory Criterion 2-The need of the population for the proposed project, Statutory Criterion 6-The anticipated effect of the proposal on the costs of and charges of healthcare and Statutory Criterion 7-The anticipated effect of the proposal on the quality of healthcare*. When evaluating only one FED, as the Board did during the review of the Beebe 2018 Millville FED application, the Board derived at a different conclusion on those criteria. Beebe has requested a hearing to reevaluate the validated need of the community for emergency care not currently available in and around Georgetown, the potential to improve quality and outcomes for people experiencing medical emergencies and the lower risk of overutilization of high-cost services now that one such service is proposed for this population.

Beebe also noted in the letter, since the application and review process, they have expanded their Georgetown walk-in. This initiative further improves access to lower cost alternatives for people experiencing urgent-but not emergent medical needs. The expansion of low-cost alternatives reduces the likelihood of over utilization of high-cost services and reduces the likelihood that such services will increase the total cost of healthcare services. Beebe request the hearing to present this information so the Board can reevaluate how it affects their consideration of *Statutory Criterion 7*.

It was stated pursuant to 16 Del. C. § 9305, Administrative reconsideration — Procedure for Board. Any person may, for a good cause shown, request in writing a public hearing for purposes of reconsideration of a Board decision rendered under paragraph (5) of this section. The Board may not impose fees for such a hearing. For purposes of this paragraph, a request for a public hearing shall be deemed by the Board to have shown good cause if it:

a. Presents newly discovered, significant, relevant information not previously available or considered by the Board; and

- b. Demonstrates that there have been significant changes in factors or circumstances relied upon by the Board in reaching its decision; or
- c. Demonstrates that the Board has materially failed to follow its adopted procedures in reaching its decision.

### Discussion

It was clarified that for voting on the Beebe reconsideration correspondence, the Board must determine that the reconsideration request (a.) Presents newly discovered, significant, relevant information not previously available or considered by the Board; and (b.) Demonstrates that there have been significant changes in factors or circumstances relied upon by the Board in reaching its decision.

The Board discussed that the Review Committee for the Beebe FED and Bayhealth FED recommended denial of both applications. It was mentioned the withdrawal of the Bayhealth application does not have a material effect because that application was recommended to deny before Bayhealth withdrew their application. There was also a discussion that the Review Committee, which was Carolyn Morris, Leighann Hinkle and John Walsh, reviewed the Beebe and Bayhealth applications on an individual basis. It was stated that Beebe's justification for the need for an additional FED in Georgetown was heavily based on an access to care which is more related to infrastructure and not long wait times for emergency department (ED) services and diversion rates. The Review Committee expressed that if the application focused more on longer wait times for EDs and diversion rates that would have demonstrated a need for the FED.

As the Beebe letter relates to the Peninsula and Nanticoke affiliation, the Board stated that this may be considered newly discovered, significant, relevant information not previously available or considered by the Board. During the Review Committee's review of the Beebe application, there was concern that the Beebe FED in Georgetown could have a negative impact to Nanticoke. It was stated during the Peninsula-Nanticoke affiliation presentation at the June Board meeting, there were no significant changes on how Nanticoke would operate after the affiliation with Peninsula.

During the review process of the application, the Review Committee considered the costs of FEDs, which are 5 to 10 times higher than urgent care centers. It was stated that it is unfortunate that urgent care centers are not open for longer hours. The Board discussed that the Department of Health and Social Services (DHSS) initiative is to lower the costs of healthcare in the state of Delaware. The Governor's Executive Order 25 establishes a health care spending benchmark, which addresses a quality benchmark specifically around ED utilization.

The Board also discussed the need for an additional FED from a patient perspective. The traffic congestion in the Georgetown area especially during peak times of the year could potentially impact access to care. If a patient is experiencing trauma and need emergency services right away, the distance to the existing surrounding hospitals could be a negative impact. It was mentioned that an additional FED in the area is needed. There was also a discussion surrounding the infrastructure of the roads should be improved for better transportation purposes. FEDs are not equipped to treat certain emergencies like hospitals. It was stated perhaps an option would be to expand walk in centers to reduce the need for an additional FED; however, a FED is more equipped to treat traumatic emergencies than an urgent care center or walk in.

It was stated for the specific purpose of the reconsideration request submitted by Beebe, the Board will need to vote if the following (2) factors meet the requirements in the statute for a public hearing to reconsider the Beebe application:

- Peninsula-Nanticoke affiliation application
- Bayhealth withdrawal of their FED application

#### Discussion

The Board discussed that they were aware of the Bayhealth withdrawal when the Beebe application was denied and this did not meet the “newly discovered, significant, relevant information not previously available by the Board. The Board members did mention the Peninsula and Nanticoke affiliation was newly discovered significant, relevant information not previously available by the Board. The Board also agreed that the change to Nanticoke’s financial position met the requirement for significant changes in factors or circumstances relied upon by the Board in reaching its decision.

#### Action

Edwin Barlow made a motion that the reconsideration of the Beebe application be granted based on : (a). Presents newly discovered significant, relevant information not previously available or considered by the Board; and (b) demonstrates that there have been significant changes in factors or circumstances relied upon by the Board in reaching its decision. Margaret Strine seconded the motion. There was a show of hands, 5 approving, 3 opposing. Motion carried. A public hearing will be conducted to reconsider the Beebe FED application.

#### ***Beebe Healthcare Specialty Surgical Hospital Certificate of Public Review one year progress update***

On November 19, 2018, the Board approved Beebe’s application to construct a specialty surgical hospital in Rehoboth DE. Beebe provided a progress update for the surgical hospital included in the meeting materials. Some of the highlights from the progress update are as follows:

- The surgical hospital broke ground in May 2019
- A timeline of dates for the surgical hospital is listed in the progress report
- The original implementation schedule from the application is also included in the meeting materials
- The project is progressing along the projected schedule and budget. There are no known or projected complications that will keep the project from progressing as planned.

#### Action

Carolyn Morris made a motion to accept sufficient progress has been made for Beebe’s Specialty Surgical Hospital. John Walsh seconded the motion. There was a voice vote, no abstentions, no opposing. Motion carried.

Ted Becker and Vincent Lobo Jr. D.O entered back into the meeting for the remainder of the agenda items.

#### ***Exceptional Care for Children Certificate of Public Review application***

Exceptional Care for Children submitted an application to construct a 22-bed skilled nursing building called the “Bridge Unit”. The estimated capital expenditure is approximately over \$10 million. The Review Committee that reviewed the application was Ted Becker, Pamela Price and Edwin Barlow. Ted Becker, the Chair of the Review Committee provided the report and the recommendation for the application to the Board.

### **Project Summary and Background information**

Exceptional Care for Children (ECC) in Newark, Delaware provides long-term and short-term transitional skilled nursing care as well as palliative, and end-of-life care, for complex medical and technological dependent children. It is the goal of the organization to ensure that these children experience a true childhood, despite their medical limitations. ECC exists to help children for whom there are no other options. These are all children seeking a place to call home outside the confines of an acute care hospital. For these children, ECC offers a refuge and a home until they must transition from the ECC facility.

ECC intends to increase bed capacity from 42 children to 64 children with the addition of 22 private resident rooms. A new building will be constructed contiguous to the existing structure as to meet the requirements for licensure of a skilled nursing facility by both the Centers for Medicare and Medicaid Services (CMS) and the Division of Health Care Quality (DHCQ). ECC request 22 licensed skilled nursing facility (SNF) pediatric beds that will allow individuals to remain at ECC to facilitate a safe transition to adult care providers instead of a transfer at age 21. ECC feel strongly that they will be able to eliminate barriers between adult care providers and pediatrics by recruiting attending physicians to care for those children who are 21+ by offering deliberate guidance. Med-Ped, combined internal medicine and pediatrics, physicians from Christiana Care Health Systems (CCHS) have shown great interest in partnering to provide these services.

The “Bridge Unit” construction scope includes new construction of a contiguous 2 story approximately 32,000 square foot structure that would include 22 private bedrooms, dining space, activities center as well as space to house all operational needs inclusive of clean/soiled utility, storage areas, nurse’s station and office space. Preliminary architectural design allows for shared services to the existing structure with satellite food preparation and storage, laundry facilities, electrical and mechanical housings and outdoor areas for residents. ECC will be required to build an outbuilding to hold liquid oxygen for medical gas connections to the resident headwall units and common spaces. These young adults are faced with barriers including lack of appropriate housing and home health staffing as well as reluctance from adult long-term care providers to accept admission due to complexity of needs. ECC respectfully request the opportunity to present their proposal to the Delaware Health Resources Board (HRB) in an effort to offer a plausible and solid solution to advance the healthcare needs of our most vulnerable population.

### **Conformity of Project with Review Criteria**

#### **Criterion I: The relationship of the proposal to the Health Resources Management Plan.**

ECC has exhibited an exemplary record of accomplishment of managing children with medical complexities requiring long-term SNF care, transitional SNF care, palliative and end of life care services for those birth to 21 years of age. If found medically stable to meet pediatric SNF admission criteria, ECC is a significant cost savings to maintaining a child in an acute care center beyond their targeted date of discharge when a safe discharge to home not be feasible. ECC believe

that they are best equipped to meet the needs of those residents who are aging out of their facility that need a lengthened stay due to lack of safe and appropriate discharge options in the community. ECC look to continually evolve their policies, procedures and programs to meet the needs of each individual resident and to adjust for new technology, new mandates, and the inevitable strides in modern medicine that accounts for the increase in need.

### Action

There was a motion made to accept the Review Committee's recommendation that the application met criterion I. There was a voice vote, no abstentions, and no opposing. Motion carried.

### Criterion II: The need of the population for the proposed project.

ECC seeks to meet the on-going complex medical healthcare needs of the children who have been diagnosed with chronic and progressive anomalies that will remain unresolved as they enter adulthood. Where their needs are ever-changing and will worsen with age, ECC look to prepare adult long-term care providers, and their affiliates, with a comprehensive and deliberate transition of care to best anticipate needs and prepare for positive outcomes, ECC seek to introduce and access the child's new adult care providers and payers prior to discharge to ensure appropriate, safe, timely, and cost effective care. When transition of care involves only an abrupt care transfer, pediatric patients may be put at risk associated with poor health outcomes, impairment, and high-cost emergency care.

Transition of care requires a significant amount of provider time, which can be a barrier to the benchmarks that determine success for a patient who is aging out of pediatric care. Pediatrics is a collaborative and coordinated centralized care model for those with complex medical needs whereas adult care is decentralized and self-advocacy driven. ECC provides complex medical care in a SNF environment to those that are age birth to 21 years old. ECC is looking to temporarily extend the stay of a child beyond 21 years of age in certain circumstances. ECC seek to introduce adult care providers prior to the residents impending discharge and to access their new adult care model providers and payers to ensure appropriate, safe, timely, and cost effective care. ECC will accept the burden of the Med-Ped specialist in their all-inclusive rate until the child turns 21 years old as the payer is not accessible by the physician in this capacity. When the payers change upon age 21, ECC would still have the ability to assist with transition of care for each individual child into the community.

The Board discussed ECC's goal to extend the stay of a resident beyond 21 years to allow completion of available services. It was stated the maximum age allowance will be the age of 25 years.

### Action

There was a motion made to accept the Review Committee's recommendation that the application met criterion II. There was a voice vote, no abstaining, and no opposing. Motion carried.

### Criterion III: The availability of less costly and/or more effective alternatives to the proposal, including alternatives involving the use of resources located outside the State of Delaware.

ECC states there are no current providers offering this level of service to ensure a safe, deliberate transition of care. Costs are driven by inappropriate discharge options without the ability to teach and train medical providers beyond ECC's level of care. ECC has over the past 13 years of its

existence, discharged 58 children to home. ECC have also discharged eight children to their partner providers upon the child reaching the age of 21 years old and no longer qualifying for the pediatric health care SNF model. Feeling ill prepared to do so in this state due to the lack of resources in housing; grave staffing deficits from healthcare agencies; lack of pediatric knowledge by the adult care providers; and concerns related to the education/training potential for a caregiver.

#### Action

There was a motion made to accept the Review Committee's recommendation that the application met criterion III. There was a voice vote, no abstaining, and no opposing. Motion carried.

#### Criterion IV: The relationship of the proposal to the existing health care delivery system.

ECC is Delaware's only pediatric skilled nursing facility and its position in the community has been a cost savings to the State as well as its taxpayers since inception. While an actual reimbursement rate cannot be determined, assumption can be made that ECC is nearly 60-75% less than the daily billable rate with ancillary fee-for-service and bundling of an acute care facility for which ECC can safely admit, they are a fiscally responsible option. ECC operate to care for children who deserve the highest quality of care and services as well as to enhance their quality of life and to offer a childhood that each of them can tolerate on an individual basis. Since opening in February 2006 (and as of June 30, 2019), ECC has billed 119,488 patient days. ECC rate is all-inclusive with their average rate being \$1015.21 per resident day.

ECC is on point with Delaware's need to create a solution for the dynamic concern of healthcare alternatives for their children with complex medical needs. It is every provider's intent to place an individual at the level of care that best suits their needs and understanding that the needs are fluid based on chronic and acute conditions. ECC is specifically addressing those that are afflicted with diagnoses that are not going to improve with time, yet medical advancement and care delivery means that the survival rates continue to improve

#### Action

There was a motion made to accept the Review Committee's recommendation that the application met criterion IV. There was a voice vote, no abstaining, and no opposing. Motion carried.

#### Criterion V: The immediate and long-term viability of the proposal in terms of the applicant's access to financial, management and other necessary resources.

ECC, through years of cost containment, effective negotiations with vendors, quality healthcare delivery without premature declines in health due to the caliber and integrity of its staff, shows a reduction in healthcare costs over the years in operation. The ability to maintain and grow operations with no increase to their daily rates since 2008, and with sound investments allows ECC to report a healthy financial position. ECC intends to finance the project along with seeking grant opportunities by way of a fundraising campaign. The addition of the 22-bed unit will not realize an increase in Management or Administration costs but only minimal direct care, support staff, and ancillary staff. By maintaining centralized services, ECC anticipates Net Operating Income (NOI) to remain consistent with current outcomes. Upon completion, a reallocation of residents to the unit will be done, as there are currently 10 children who can move to this developmentally appropriate unit as adolescents, teens or young adult. Cost associated with the direct care needs of each child is anticipated to remain on target with current controllable expenses.

The Board discussed Schedule 11 in the application which is the Sources of Financing. It was stated ECC will take out a mortgage and receive grants/gifts for financing of the project.

**Action**

There was a motion made to accept the Review Committee's recommendation that the application met criterion V. There was a voice vote, no abstaining, and no opposing. Motion carried.

**Criterion VI: The anticipated effect of the proposal on the costs of and charges of healthcare.**

Financial Impact (first full year of operations)

Estimated effect on annual expenses: Increase by \$ 4,307,469.00

Estimated effect on annual revenue: Increase by \$ 4,038,001.00

Estimated effect on individual charges: Decreased by 24,115.35 or \$1.22 per patient per day

The proposed project will not have an effect on the costs and charges of existing services being provided. ECC will continue to deliver quality healthcare with successful outcomes to all residents who are admitted to the facility. The Board discussed the Schedule 4-Statement of Revenues and Expenses and the assumptions listed in the application regarding the effect on annual revenue, expenses and individual charges.

**Action**

There was a motion made to accept the Review Committee's recommendation that the application met criterion VI. There was a voice vote, one abstaining, and no opposing. Motion carried.

**Criterion VII: The anticipated effect of the proposal on the quality of health care.**

Every health care entity determines quality by its outcomes, how it mitigates risk, and whether or not the Plan of Care was appropriate, comprehensive, and proven to be the ideal critical pathway by which the residents care was designed. As noted, ECC has a profound record of high quality care and services with award winning programs and has been the facilitator for designing a level of care for Delaware's most vulnerable citizens who would otherwise have required an extended stay if not their entire lives in an acute care setting. ECC seeks to build out this unit to offer an environment conducive to the young adult that will maximize their independence, engage their abilities as they age, and provide opportunity for adult physician services to learn their medical history, current and projected care needs, and develop confidence in making sound decisions when they take over care. This would be a deliberate transition of care then, not a simple transfer of care, which puts the child's quality of life at the forefront and works to drive cost down. ECC is certified by Medicare and Medicaid. ECC is accredited by the Joint Commission on the Accreditation of Healthcare Organization (JCAHO).

**Action**

There was a motion made to accept the Review Committee's recommendation that the application met criterion VII. There was a voice vote, two abstaining, and no opposing. Motion carried.

**Other Review Considerations**

The Board discussed how the bridge unit would offer economies and improvements in the delivery system. The proposed Bridge Unit Project will first and foremost improve upon the quality of life



of those children who require 24-hour skilled nursing care while in the pediatric care model who will undoubtedly qualify for and require continued skilled nursing facility services as they age out and enter the adult care model. The program will capture the necessary planning, development and execution of all providers to know the child, their plan of care, and ongoing health needs in the way of medical subspecialty requirements, impending procedures, equipment needs, and prognosis. With no current provider in the community offering such a service as an alternative, ECC's intent is not to cause competition but to lay the ground work to help with the situation at hand. Continuous quality improvement is built into everything that ECC do. ECC choose to be a pioneer and a leader for their state, offering its most vulnerable constituents a pathway to safely transition from the pediatric care model to the adult care model by offering a short extension of the time that they can be the primary care providers instead of having everything change on the morning of their 21<sup>st</sup> birthday. ECC has a solid compliance history, develops and modifies policies and procedures as needed to maintain compliance while exceeding the expectations of CMS and DDHQ. ECC has excellent staff and family survey outcomes and is a provider and employer of choice within the state of Delaware. ECC will employ all ADA requirements for handicap accessibility as required in Skilled Nursing construction.

### **Action**

There was a motion made to accept the Review Committee's recommendation that the application submitted by ECC be approved. There was a voice vote, one abstaining, and no opposing. Motion carried.

Cheryl Heiks stated for the record she is abstaining from voting on the ECC application.

### **Upcoming Items before the Board**

#### ***Comprehensive Care Capital (CCC) Acquisition of Churchman Village, Harbor Healthcare and Parkview Nursing Presentation***

Certificate of Public Review applications were submitted for the acquisition of (3) skilled nursing facilities, Churchman Village, Harbor Healthcare and Parkview Nursing. The estimated capital expenditure for Churchman Village is \$22 million. The estimated capital expenditure for Harbor Healthcare is \$23 million and the estimated capital expenditure for Parkview is \$22 million. The public notice for the applications were sent out on October 1, 2019. There were no requests for public hearings on the applications. The review period for these applications will be 90 days from the public notice date. Representatives from CCC presented the projects to the Board.

CCC was founded in 2015 as an affiliate of the Rosdev Group. CCC's portfolio consists of more than 50 Healthcare facilities across 8 states, and is comprised of more than 7,000 beds/units (Aggregate Portfolio Value of approx. \$700MM).

CCC is the parent entity of the three Applicants: Churchman DE SNF Realty, LLC, Harbor DE SNF Realty, LLC, and Parkview DE SNF Realty, LLC. The Applicants, along with their affiliated entity R&F Healthcare, are operated under the guidance and ownership of Arie Friedman, the Founder and Managing Principal. There are (3) facilities with a total combined 430 beds. The combined capital expenditure is approximately \$67 million.

### **Parkview Nursing**

#### **1965 Year Built**

Wilmington DE  
150 licensed skilled nursing beds  
52 resident rooms  
Five star Medicare rating

Parkview Nursing is a full service skilled nursing facility offering rehab care, long-term care, skilled nursing, a secure Alzheimer's unit, hospice and respite care.

Churchman Village  
1984 Year Built  
Newark DE  
101 licensed skilled nursing beds  
95 resident rooms  
Five star Medicare rating

Churchman Village is a full service independent living and skilled nursing facility offering rehab, care, long-term care, skilled nursing and respite care.

Harbor Healthcare  
1988 Year Built  
Lewes, DE  
179 licensed skilled nursing beds  
101 resident rooms  
Four star Medicare rating

Harbor Healthcare is a skilled nursing facility offering rehab care, long-term care, skilled nursing, and a secure Alzheimer's unit, hospice and respite care.

#### CCC's relationship to the Delaware Healthcare Delivery System

- Geographically focused network
- High acuity capabilities
- Proprietary clinical programming
- Focus on Dementia and Alzheimer's Care
- High Quality Health Care Services
- Financial Strength
- Expanded Nursing and Employee Training
- Advancing Careers through the CCC Network

#### Examples of Opportunities

- Increase facilities' rehab programs
- Enhance operating efficiencies
- Improve access to capital
- The Not-for-Profit conversion will allow CCC to be budget conscious and reinvest into the workforce and facilities, as well as expand clinical capabilities to maintain high quality of care.

CCC stated they manage 52 properties and operate 31. Their goal is to maintain a good track record of their star rating. Staffing is a big component in factoring in star ratings. CCC stated their intent is to increase rehab programs.

Staff will reach out to Board members for participating on the Review Committee to begin the review process of the application. The full CCC presentation is posted on the Delaware Health Resources Board website located under Meeting Presentations.

Ted Becker recused himself from the Beebe 12 room fit out presentation.

### ***Beebe Healthcare 12 room fit out Specialty Surgical Hospital Presentation***

In November 2018, the Board approved an application submitted by Beebe to construct a Specialty Surgical Hospital on John J. Williams Highway between Rehoboth Beach and Millsboro. The approved project included unfinished space to accommodate 12 additional private inpatient rooms. Beebe submitted an application to fit out the remaining 12 private inpatient rooms. The estimated capital expenditure is \$3.2 million. The public notice was sent out on November 5, 2019. Representatives for Beebe presented the project to the Board.

The Specialty Surgical Hospital focuses on short-stay scheduled surgical procedures with all private rooms. It is the most cost effective way for Beebe to add private inpatient rooms and operating room capacity.

#### **Project Summary**

- 12 short-stay private rooms
- \$3.2 million capital expenditure
- Will bring total private rooms at this site to 22
- Does not expand total square footage of approved construction
- With approval, fit out will occur simultaneously with previously approved 12 rooms, savings costs and reducing disruption if done once open
- Will not increase total number of licensed beds

#### **Project Goals**

- Increase # of private rooms for inpatients
- Meet demand from growing population for convenient access
- Provide innovative surgical care purposely designed for efficient operations around the short-stay scheduled patient

Staff will reach out to Board members for participating on the Review Committee to begin the review process of the application. The full Beebe presentation is posted on the Delaware Health Resources Board website located under Meeting Presentations.

### ***Pike Creek Healthcare Services 52 bed Expansion Presentation***

Pike Creek Healthcare Services, a skilled nursing facility located in Pike Creek, DE submitted an application to expand their current facility by an additional 52 beds. The capital expenditure is an estimated \$12.7 million to \$15.3 million. The public notice was sent out on November 5, 2019. Representatives from Pike Creek Healthcare presented the project to the Board.

Cadia Healthcare has 10 locations serving Delaware, Maryland and Pennsylvania. Cadia provides comprehensive skilled nursing and long-term care, in-patient and out-patient rehab and the only dedicated ventilator unit in the state of Delaware. The mission is provide resident-centered care always in all ways.

- Founded in 1986
- In seven states
- 27 employed physicians, NPs
- 10 skilled nursing facilities
- 2600 employees

#### Clinical Specialties

- All therapy disciplines
- Cardiology
- IV therapy
- Infectious Disease
- Integrated Pharmacy and Imaging
- Memory care
- Pulmonary Care
- Renal Care
- Stroke Care
- Wound Care

#### Pike Creek Facility Overview

- Sub-acute and transitional care
- Rehabilitation
- Physical Therapists
- Occupational Therapists
- Speech Language Pathologists
- Hospice Care
- 3000 square feet therapy gym
- Ventilator & Trach Care
- Extensive Social Services & Activities

#### Sub-acute and Rehabilitation Services

Provides 24/7 sub-acute care, inpatient and outpatient rehab services, individualized treatment plans and a variety of other specialized medicals services to promote residents independence and quality of life.

#### Project Overview

- 52 bed addition to the existing 130 bed facility in New Castle County
- First floor 26 additional beds
- Second floor 26 additional beds
- 11 ventilator beds will be developed
- Fully ADA accessible

- Development of a dialysis center
- Project Cost \$14 million

Staff will reach out to Board members for participating on the Review Committee to begin the review process of the application. The full Pike Creek presentation is posted on the Delaware Health Resources Board website located under Meeting Presentations.

#### **Other Business**

##### ***Joint Legislative Oversight and Sunset Committee Questionnaire***

The Joint Legislative Oversight and Sunset Committee questionnaire was completed and submitted on October 16, 2019. The Board will be updated throughout the Joint Sunset process. The Board discussed perhaps addressing the recusal procedures as it relates to a quorum during the Sunset process. It was stated that recusals are not counted as a quorum because it is best practice for the Board member to leave the meeting if recusing from a Board matter. It was noted that the recusal process adheres to the Public Integrity Commission's procedures.

#### **Public Comment**

There was no public comment

#### **Adjourn**

The meeting adjourned at 4:24 p.m.

#### **Next Meeting**

December 12, 2019